

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)

Applications of Sprint Corporation and)
PRWireless, Inc., d/b/a Open Mobile)
)

WT Docket No. 17-112

For Consent to Assign and Transfer Control of)
Licenses and an International Section 214)
Authorization)

)

**RESPONSE OF PRWIRELESS, INC. D/B/A OPEN MOBILE TO GENERAL
INFORMATION REQUEST DATED MAY 31, 2017**

Carl W. Northrop
Michael Lazarus
Jessica DeSimone Gyllstrom
TELECOMMUNICATIONS LAW PROFESSIONALS
PLLC
1025 Connecticut Ave., N.W.
Suite 1011
Washington, DC 20036

June 14, 2017

PRW001

PRWireless, Inc. d/b/a Open Mobile (“Open Mobile”) provides this response to the letter and General Request for Information dated May 31, 2017 (“Information Request”), from James D. Schlichting, Senior Deputy Chief of the Wireless Telecommunications Bureau of the Federal Communications Commission (the “Commission”) concerning applications of Sprint PR Spectrum, LLC, Nextel of Puerto Rico, Inc., Sprint Puerto Rico Holdings LLC, SprintCom, Inc., (collectively, “Sprint”), Open Mobile, and PRWireless PR, LLC (collectively, Sprint, Open Mobile and PRWireless PR, LLC are the “Applicants”) seeking consent to assign and transfer control of licenses and an International Section 214 Authorization (the “Transaction”).

Request 1: *On page 5 of the Public Interest Statement, the Applicants state that “Open Mobile faces spectrum capacity constraints, limited revenue growth, and has halted its 4G LTE rollout.” Describe in detail the Company’s spectrum constraints, limited revenue growth, and why the Company halted its 4G LTE rollout. Provide all documents relied on in preparing the response*

Capacity Constraints: Spectrum is a finite resource, and the number of facility-based carriers in Puerto Rico has led to capacity limitations for Open Mobile in the Puerto Rican mobile wireless market area. Open Mobile’s spectrum capacity constraints are due to the fact

[BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[END HIGHLY

CONFIDENTIAL INFORMATION]. Lastly, Open Mobile has considerably less spectrum than its competitors in Puerto Rico.

These concerns are based on a review of Open Mobile’s spectrum usage on a band-by-band basis. Regarding its Personal Communications Services (“PCS”) spectrum holdings, Open Mobile is [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED]

[REDACTED]

[REDACTED] [END
HIGHLY CONFIDENTIAL INFORMATION]. These holdings support Open Mobile’s
ability to provide voice and 3G data solutions to its customers. [BEGIN HIGHLY
CONFIDENTIAL INFORMATION] [REDACTED]

[REDACTED]

[REDACTED]¹ [END HIGHLY
CONFIDENTIAL INFORMATION]

In addition, with respect to its 700 MHz band spectrum, Open Mobile currently is
occupying [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY CONFIDENTIAL
INFORMATION], since such technology is more readily available on higher spectrum bands.

In an effort to mitigate capacity constraints, [BEGIN HIGHLY CONFIDENTIAL
INFORMATION] [REDACTED]

¹ See ULS File No. 0007674399 (Transaction “Lead Application”), Exhibit 1: Public Interest Statement; Exhibit 2; Exhibit 5: Competitor Spectrum Aggregation.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] **[END HIGHLY CONFIDENTIAL INFORMATION].**

The spectrum capacity concerns are further confirmed when looking at the spectrum holdings of Open Mobile’s competitors in Puerto Rico. Other competitors hold significantly more spectrum than Open Mobile, allowing them to more easily offer high-capacity services without the same spectrum capacity issues that have restricted Open Mobile’s ability to do so. For instance, AT&T holds between 138 MHz and 175 MHz of low-, mid- and high-band spectrum in the Puerto Rican markets,² as compared to Open Mobile’s holdings of 37 MHz of PCS and 700 MHz spectrum combined throughout Puerto Rico.³ The combination of the above-described encumbrances of Open Mobile’s network demonstrate that Open Mobile is facing significant spectrum capacity constraints that will limit Open Mobile’s ability to migrate to a long-term competitive solution for its customers.⁴ Applicants expect that the proposed

² See ULS File No. 0007674399 (Transaction “Lead Application”), Exhibit 5: Competitor Spectrum Aggregation (In the majority of markets AT&T holds between 163 MHz and 175 MHz of spectrum).

³ See ULS File No. 0007674399 (Transaction “Lead Application”), Exhibit 3: Spectrum Screen Analysis.

⁴ See, e.g., FCC Form 477 data as provided by PRWireless, Inc. d/b/a Open Mobile for the periods ending: December 31, 2016; June 30, 2016; December 31, 2015; June 30, 2015 **[BEGIN**

Transaction will take advantage of Sprint's and Open Mobile's CDMA/DO/LTE technology offerings to more adequately re-farm and re-condition the spectrum occupancy to achieve a more robust level of service for both customer bases.

Limited Revenue Growth: [BEGIN HIGHLY CONFIDENTIAL INFORMATION]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]⁵ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]⁶ [END HIGHLY CONFIDENTIAL INFORMATION] The proposed Transaction will help make more spectrum available to Open Mobile and, both, open the door to more

HIGHLY CONFIDENTIAL INFORMATION [REDACTED] [END HIGHLY CONFIDENTIAL INFORMATION]

⁵ See, e.g., Unlimited Data Plans – AT&T, <https://www.att.com/plans/unlimited-data-plans.html> (last visited June 12, 2017); PRBI Staff, *Claro Pushes Free Unlimited Internet for Customers in Puerto Rico*, ELNUEVODIA.COM (Dec. 8, 2015) (offering unlimited 4G LTE high-speed internet, to customers of plans with unlimited talk and data of 5GB and more for a limited time) available at <https://www.elnuevodia.com/english/english/nota/claropushesfreeunlimitedinternetforcustomersinpuertorico-2136243/>.

⁶ See Exhibit 1.

opportunities to drive revenue growth, and increase its ability to offer competitive services to consumers.

4G LTE Rollout Status: [BEGIN HIGHLY CONFIDENTIAL INFORMATION]

[REDACTED]

[REDACTED]

[REDACTED]⁷ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END HIGHLY

CONFIDENTIAL INFORMATION]

Request 2: *Provide the Company’s quarterly subscriber data, as specified in Attachment A.*

The requested highly confidential information is being submitted as “Exhibit 2” of this response pursuant to the instructions provided in Attachment A of the Information Request and under the Protective Order in this proceeding.

⁷ [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED]

[REDACTED] [END HIGHLY

CONFIDENTIAL INFORMATION]

Table of Exhibits

Ex. 1	Request 1	Alexis Hernandez (Network Performance & Operations Manager) Neville Cruz (VP Technology)	Open Mobile - LTE System Payload (Highly Confidential)
Ex. 2	Request 2	N/A	Open Mobile Quarterly Subscriber Data (Highly Confidential)

Exhibit 1

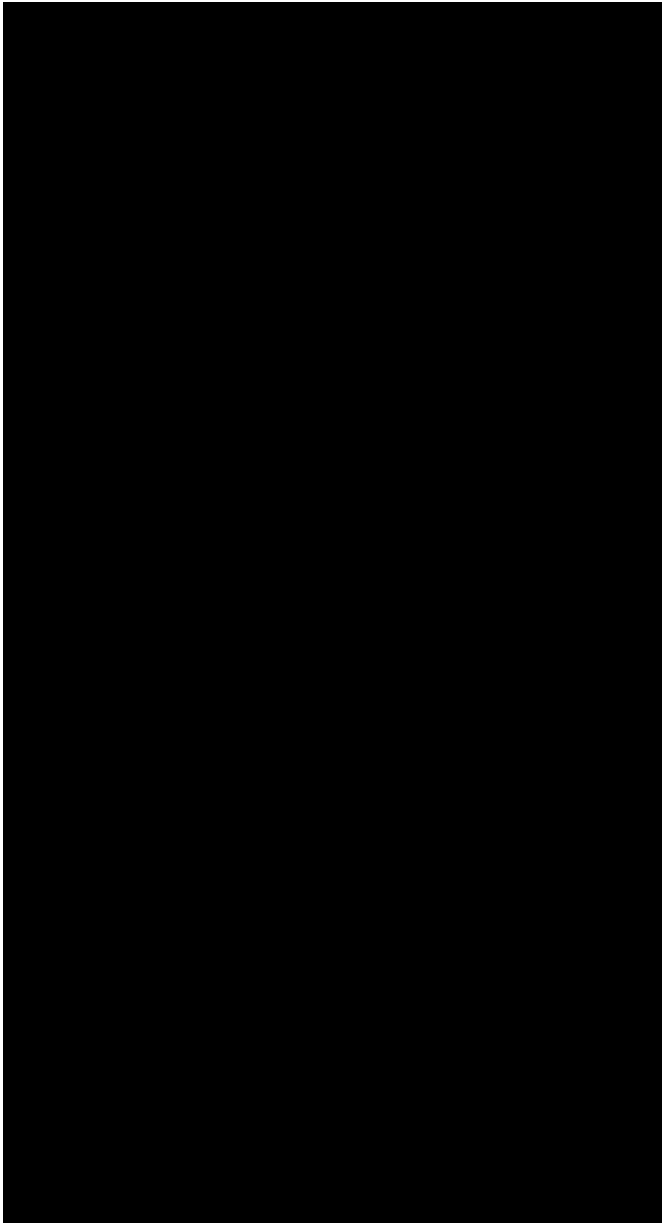
Open Mobile – LTE System Payload

Open Mobile -LTE System Payload Evolution

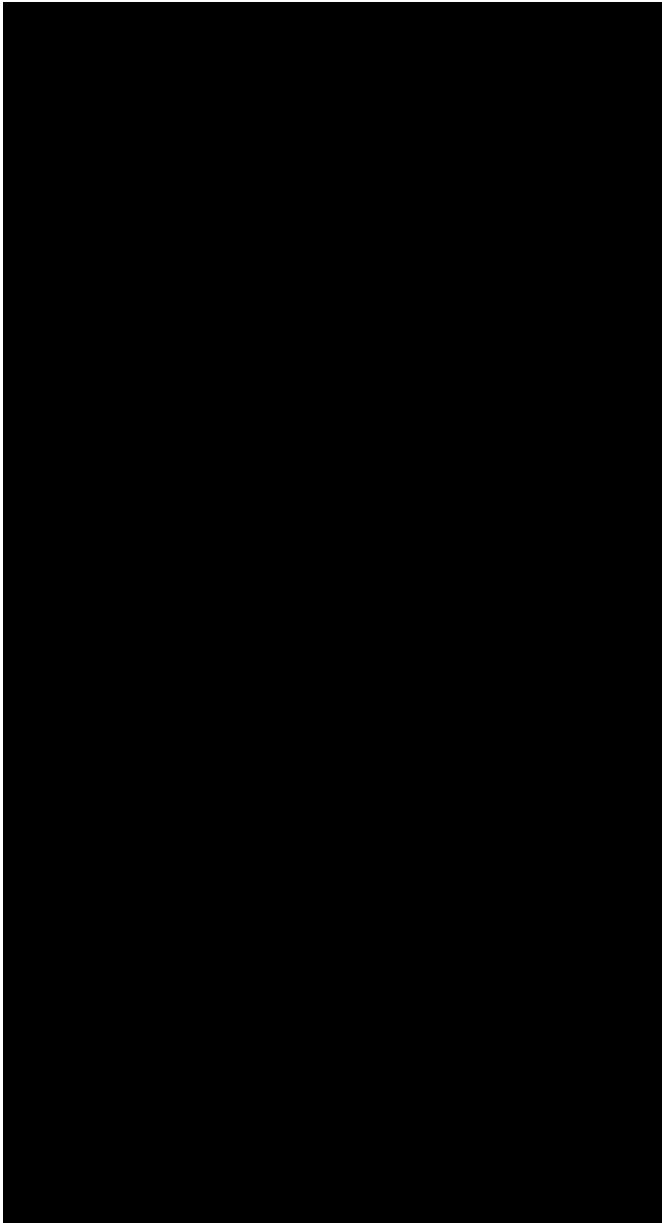
Exhibit 2

Open Mobile Quarterly Subscriber Data

REDACTED – FOR PUBLIC INSPECTION



REDACTED – FOR PUBLIC INSPECTION



REDACTED – FOR PUBLIC INSPECTION

